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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91191056
Party	Defendant Franciscan Vineyards, Inc.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

-----X  
White Rock Distilleries, Inc.

Opposer

v.

Franciscan Vineyards, Inc.

Applicant  
-----X

**Opposition No. 91191056**

Mark: PINNACLES RANCHES

Serial No.: 77/598674

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**APPLICANT'S TRIAL BRIEF**  
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Submitted July 18, 2011

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TO THE HONORABLE BOARD:

Applicant, Franciscan Vineyards, Inc., through its undersigned attorneys, Baker and Rannells, PA, respectfully submits its Trial Brief herebelow and requests that the opposition be dismissed in its entirety and that application Serial No. 77/598674 proceed to registration. Being filed separately and concurrently with this Trial Brief is Applicant's Motion to Strike/Exclude various portions of Opposer's trial record, including without limitation, the testimony of Opposer's proffered expert, Paul Reidl.

**I. PROCEDURAL HISTORY / EVIDENCE OF RECORD**

**A. Procedural History**

The Notice of Opposition filed on July 15, 2009 contained three counts, namely (1) that Applicant's mark, PINNACLES RANCHES, is geographically descriptive under 15 U.S.C. §1052(e)(2), (2) that the mark fails to function as a trademark (i.e., on the alleged basis that

the mark merely provides information regarding the geographic origin of Applicant's goods), and (3) fraud on the Trademark Office for alleged failure to advise the Trademark Office that the mark allegedly possesses geographic significance.

On August 17, 2009, Applicant filed a Rule 12(b) motion to dismiss counts 1 and 3. The Board denied the motion with regard to Count 1 (geographic descriptiveness) and granted Applicant's motion with regard to Count 3 (fraud). Thereafter, on November 17, 2009, Applicant filed its Answer and Affirmative Defenses. Accordingly, the pleadings are comprised of the Notice of Opposition (less the fraud count) and Applicant's Answer and Affirmative Defenses.

The parties both took testimony depositions and filed various Notices of Reliance as evidence in this proceeding.

#### **B. The Evidence of Record**

With the following clarifications, Applicant adopts the Opposer's listing of the evidence of record submitted by the parties:

The parties both filed excerpts of the testimony deposition of the Opposer's third party witness, Ricardo Mora (Vice President of Marketing of Delicato Family Vineyards). The combined filed record from the Mora testimony is: **Pages 1-4; 6-9; 11-20; 28; 30 (line 18) - 35; 39-44; 48-51; and Exs. B, C, D, E, F, H, and I** (hereinafter, "Mora Test., at \_\_\_\_" and "Mora Test. Ex. \_\_\_\_"). The excerpts and exhibits are found at Docket Entry #s 22 and 51.

The parties both filed excerpts of the testimony deposition of the joint third party witness, Christine Lilienthal (Senior Brand Manager of Delicato Family Vineyards). The combined filed record from the Lilienthal testimony is: **Pages 1; 5 (line 11) -- 10 (line 15); 11 - 12 (line 15); 14 (line 12) -- 38 (line 15); 43 (line 14) -- 52 (line 14); 57 (line 12) -- 58; 60-64; 66 (line 24) --**

68 (line 3); 70 (line 11) – 72 (line 17); 74-92; 95-98; Exs. B, D, E, F, G, H, K, L, O, P, R, S, T, U, V, W, X, Y, Z, AA, BB, CC, DD, FF (hereinafter, “Lilienthal Test., at \_\_\_\_” and “Lilienthal Test. Ex. \_\_\_\_”). The excerpts and documents are found at Docket Entry #s 23, 43, and 46-48.

The Trial Testimony of Robert Rannells (submitted in form of declaration by stipulation) with exhibit “1” thereto (Docket entry #42) shall be referred to hereinafter as “Rannells Test. ¶ \_\_\_\_” and “Rannells Test. Ex. 1”. The Trial Testimony of Daniel Comunale (submitted in form of declaration by stipulation) with exhibits 1-4 thereto (Docket entry #s 44 and 45) shall be referred to hereinafter as “Comunale Test. ¶ \_\_\_\_ and Ex. \_\_\_\_ thereto”.

The Trial Testimony of Scott Black, Marketing Manager at Constellation Wines U.S. (“CWUS”), (Docket Entry # 52) shall be referred to hereinafter as “Black Test., at \_\_\_\_” and “Black Test. Ex. A”. The Trial Testimony of Deborah Price, Vice President of Regulatory Affairs for CWUS, (Docket Entry #54) with Exhibits 1-3 shall be referred to hereinafter as “Price Test., at \_\_\_\_” and “Price Test. Ex. \_\_\_\_”. The Trial Testimony of Jon Guggino, Vice President of Marketing – CWUS, (Docket Entry #55) with exhibits 1-6 shall be referred to hereinafter as “Guggino Test., at \_\_\_\_” and “Guggino Test. Ex. \_\_\_\_”.

Applicant’s Notices of Reliance will be referred to in this brief as “Franciscan NOR, Ex. \_\_\_, Docket Entry #\_\_\_”. Opposer’s Notices of Reliance will be referred to in this brief as “White Rock NOR, Ex. \_\_\_, Docket Entry #\_\_\_”)

### **C. Background regarding Opposer**

Opposer, White Rock Distilleries, Inc., is the owner of Trademark Application Serial No. 78166136 for the mark PINNACLE for vodka which application is the subject of unconsolidated pending Opposition No. 91185984 between the parties hereto.

In this captioned proceeding, Opposer primarily relies on the testimony of its proffered expert, Paul W. Reidl (formerly, the Associate General Counsel for E. & J. Gallo) for support of its claims herein. Concurrent with Applicant's Trial Brief, Applicant has filed a Motion to Strike/Exclude Mr. Reidl's testimony and associated documents. Applicant disputes that Mr. Reidl qualifies as an expert, disputes his expertise in certain areas, disputes that the questions and types of questions asked of Mr. Reidl and his testimony responses thereto requires or lends itself to expert testimony or to understanding the evidence or to determining any fact in issue, disputes his methodologies, his recitation of applicable laws, disputes his findings, and disputes many of the statements made by and conclusions reached by Mr. Reidl. Many of Applicant's testimony depositions and Notices of Reliance were submitted for the purpose of showing the improper methodologies used by Mr. Reidl and/or the inaccuracy of facts relied upon by Mr. Reidl.

**D. Background regarding Opposer**

Applicant, Franciscan Vineyards, Inc. is a wholly owned subsidiary of Constellation Brands, Inc. ("CBI"). Franciscan Vineyards, Inc. is run through CBI's U.S. wine division, Constellation Wines U.S ("CWUS").

Applicant owns the Estancia Winery and trademarks associated therewith for wine and related goods and services, including the mark in issue herein, "Pinnacles Ranches" as well as the registered trademark "Pinnacles" for wine. The "Pinnacles" and "Pinnacles Ranches" marks serve as sub-brands to Applicant's "Estancia" wine brand and also act as service marks for the vineyards from which the associated grapes are grown for Applicant's "Pinnacles" / "Pinnacles Ranches" wines. *See* Lilienthal Test., at 22:7-22, and 25:9-14. Applicant's "Pinnacles Ranches" mark is an expansion of Applicant's "Pinnacles" mark. *See* Lilienthal Test., at 21:22 – 22:1.

The varietals that the “Pinnacles Ranches” mark is currently used with are chardonnay, pinot noir, and sauvignon blanc. *See* Lilienthal Test., at 9:25 – 10:15.

Applicant’s “Pinnacles Ranches” trademark is conspicuously placed on and in association with Applicant’s chardonnay, pinot noir, and sauvignon wines.<sup>1</sup> –

The mark PINNACLES is found on the skirt of the closure” . . . “the front label” . . . “the back label. In some occurrences on the cork at various points and on the carton, the outer shipper for the product as far as on its packaging itself. Besides wine the “Pinnacles” mark appeared on merchandise and clothing” . . . “invites and programs” . . . “marketing and supporting collateral materials both to distributors and gatekeepers as well as to consumers, so it would have appeared on case cards, shelf talkers, neckers” . . . “in advertisements in magazines and periodicals, distributor price books and PowerPoint presentations. “ [Lilienthal Test., at 16:9 – 17:7]. The marks are also emblazoned upon signage at [Applicant’s] winery. [Lilienthal Test., at 33].

*See also*, Lilienthal Test. Ex. E (various labels, historical and current bearing “Pinnacles” / “Pinnacles Ranches” marks).

Applicant is the owner of incontestable Reg. No. 0997378 for the mark “Pinnacles” for wine. *See* Franciscan NOR, Ex. thereto (certified status and title copy from USPTO), Docket Entry #38. From 1971 to 1991, the 0997378 registration was for the mark “Pinnacle” and was used in that form on wines by Applicant’s predecessors-in-interest, Paul Masson and Vintners International Company, Inc.. *See*, Franciscan NOR, Ex. thereto (certified file wrapper), Docket Entry #50. Applicant itself has continuously used the mark “Pinnacles” on and in association with wine since 1991, when it acquired the mark from Vintners International Company, Inc. (who previously acquired the mark from Paul Masson in 1987). *See*, Lilienthal Test., at 19:16 – 20:25, and Lilienthal Test. Ex’s. C and E. Since May of 2004, Applicant has also continuously used the expanded mark and sub-brand “Pinnacles Ranches” on wine. *See*, Lilienthal Test., at

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<sup>1</sup> Applicant uses is “Keyes Canyon Ranches” mark (Reg. No. 3148281) on a separate set of varietals (cabernet, meritage, merlot, and zinfandel) made from grapes grown at Applicant’s Keyes Canyon vineyards. Lilienthal Test., at 25:15 – 27:8; Lilienthal Test. Ex. F (copy of U.S. trademark registration).



18:7-12. From time to time, Applicant has also used the expanded mark/sub-brand “Pinnacles Vineyard.” *See*, Lilienthal Test., at 18:4-6 and Lilienthal Test. Ex. E (selection of representative historical labels). Applicant uses its “Pinnacles Ranches” trademark on the front and back labels attached to certain of its wines and also uses its “Pinnacles” mark on the capsule sleeves of the Pinnacles Ranches chardonnays and pinot noirs. *See* Guggino Test., Ex’s 2 and 3 (photographs of bottles).

Applicant has achieved enviable success with wines bearing the “Pinnacles” and “Pinnacles Ranches” trademarks. Over the last ten (10) years Applicant’s wines bearing the “Pinnacles” trademark, and since 2004 bearing both the “Pinnacles” and “Pinnacles Ranches” trademarks, have enjoyed sales in excess of \$280 Million Dollars. *See*, Lilienthal Test., at 43-44 and Lilienthal Test. Ex. “J” thereto (annual sales and annual market spend FY 2001-2009); and Black Test., at 8:23 – 11:21, and Black Test. Ex. “A” thereto. These wines have also received numerous mention, accolades and awards. *See* Lilienthal Test., at 36, and Lilienthal Test. Ex’s. G and H thereto.

#### **E. The Pleadings:**

Applicant believes that a seriatim recitation of the relevant pleadings (i.e., Opposer’s Counts and Applicant’s answers thereto) will assist in placing this proceeding in perspective.

#### **COUNT 1**

#### **Primarily Geographically Descriptive under 15 U.S.C. §1052(3)(2)**

Opposer’s ¶7 (Count 1): Applicant’s proposed mark PINNACLES RANCHES is primarily geographically descriptive of the location of origin of Applicant’s wine as such location is just a few miles from an area in Monterey County, California known as “Pinnacles Ranch” and located at the outskirts of the Pinnacles National Monument, which is administered by the National Park Service and attracts more than 150,000 visitors annually.

#### **Applicant’s Answer:**

7. Applicant denies that its mark, PINNACLES RANCHES is primarily geographically descriptive of the location of origin of Applicant's wine. Applicant does not know what the Applicant is referring to as "an area in Monterey County, California known as Pinnacles Ranch" and therefore has insufficient knowledge or information upon which to form a belief concerning the allegations made concerning the same and leaves Opposer to its proofs. To the extent that a third party area known as "Pinnacles Ranch" exists, Applicant denies that the existence of the same is relevant or that it in any way renders Applicant's PINNACLES RANCHES mark primarily geographically descriptive. To the extent Opposer's reference is intended to refer to Applicant's own vineyards, Applicant denies that it in any way renders Applicant's PINNACLES RANCHES mark primarily geographically descriptive. Applicant admits the existence of Pinnacles National Monument but denies that the existence of the same is relevant or that it in any way renders Applicant's PINNACLES RANCHES mark primarily geographically descriptive. Applicant has insufficient knowledge or information upon which to form a belief concerning the remaining allegations of paragraph 7 of the Notice of Opposition and leaves Opposer to its proofs.

Opposer's ¶8 (Count 1): Since the term "Pinnacles Ranches" merely identifies the geographic area of origin of Applicant's wines, consumers will correctly perceive the term as the name of a geographic location.

Applicant's Answer:

8. Applicant denies each and every allegation of paragraph 8 of the Notice of Opposition.

Opposer's ¶¶9-10 (Count 1):

9. Attached as Exhibit A to this Notice of Opposition are true and correct copies of printouts from the web site of the United States Department of the Treasury's Alcohol and Tobacco Tax and Trade Bureau ("TTB"), showing Certificates of Label Approval ("COLAs") for labels affixed to wines sold by Applicant. A COLA must be obtained before a wine may be legally sold in the United States..

10. The portions of the COLAs showing the approved label images submitted by Applicant include maps on which consumers can find the geographic location of Applicant's "Pinnacles Ranches."

Applicant's Answer:

9. Admitted.

10. Applicant admits that it and/or one of its predecessors in interest selected the name "Pinnacles Ranches" as the name of one of its own vineyards and affirmatively asserts that said designation constitutes trademark, trade name, and service mark usage.

Opposer's ¶11 (Count I): Applicant's Mark is unregistrable on the Principal Register because the primary significance of "Pinnacles Ranches" is the name of a geographic location, and as such, it is primarily geographically descriptive of the origin of Applicant's good pursuant to 15 U.S.C. §1052(e)(2).

Applicant's Answer:

11. Applicant denies each and every allegation of paragraph 11 of the Notice of Opposition and further asserts that the Opposer's claim is absurd (it would mean that the name of every vineyard could not be a service mark for vineyard services or a trademark for wine, merely because the vineyard by its nature is a geographic location; it would mean that a farm whose produce bears a trademark constituting the name of the farm, would be primarily geographically descriptive merely because a farm by its nature is located somewhere).

**COUNT II**

**Failure to Function as a Mark Under 15 U.S.C. §§1051-1052, 1127**

Opposer's ¶12 (Count II): Applicant does not use the term "Pinnacles Ranches" in a manner likely to be perceived by consumers as having any trademark significance. Instead, the term is used in an ancillary non-trademark manner that merely provides information regarding the geographic origin of Applicant's goods, which goods are sold under a different mark, namely, ESTANCIA, as shown in the specimen submitted by Applicant in the application herein opposed. A copy of the specimen is attached to the Notice of Opposition as Exhibit B. [Note sum judg decision in other case]

Applicant's Answer:

12. Applicant admits that the mark "PINNACLES RANCHES" appears on the same label with Applicant's mark "ESTANCIA". Applicant denies all remaining allegations of paragraph 12 of the Notice of Opposition.

Opposer's ¶13 (Count II): Pursuant to 15 U.S.C. §§1051-1052, 1127, the term "Pinnacles Ranches," as used by Applicant, does not function as a trademark to identify and distinguish Applicant's goods.

Applicant's Answer:

13. Applicant denies each and every allegation of paragraph 13 of the Notice of Opposition.

As is evident from the pleading, Opposer's "failure to function" claim is dependent upon Opposer's "geographically descriptive" claim.

**APPLICANT'S AFFIRMATIVE DEFENSES**

1. Applicant's mark, PINNACLES RANCHES, is not regarded by buyers as descriptive of a geographic location of origin of Applicant's products.
2. The mark and name "PINNACLES RANCHES" selected by Applicant and/or a predecessor in interest, has been promoted in such a way that the mark and name is and/or has become a trademark and service mark and is perceived as such by consumers and is used by Applicant in such a manner that the mark has trademark significance.
3. Any geographic significance to Applicant's mark is minor, obscure and/or remote and accordingly, Applicant's mark is not "primarily geographically descriptive".
4. Consumers are not likely to make a goods/place association of Applicant's wines and Applicant's PINNACLES RANCHES mark.
5. Applicant, and/or Applicant's predecessors in interest, naming one of its own vineyards "Pinnacles Ranches" does not make the term "Pinnacles Ranches" geographically descriptive and as such, the Notice of Opposition fails to state a claim upon which relief may be granted.
6. To the extent that Applicant's mark is construed to be geographically descriptive, the mark has become distinctive through the acquisition of secondary meaning.

## **II. ARGUMENT**

### **A. Applicant's Mark is Not Primarily Geographically Descriptive**

Applicant uses the term "Pinnacles Ranches" as (1) a coined trademark and name for its vineyards and (2) as a coined trademark for wines.

At issue is the registrability of "Pinnacles Ranches" for wines. According to Opposer's own proffered expert witness, the "Pinnacles" brand was developed by Paul Masson winery in the early 1970's and the name was given to a vineyard that the winery planted in the Salinas Valley on the Central Coast of California. Whether or not Paul Masson looked to Pinnacles National Monument for inspiration for the name is lost in antiquity and is, in any event, irrelevant.

Opposer's primary argument appears to be that because "Pinnacles Ranches" is a name given by Applicant to certain of its own vineyards, and because the vineyards have a specific geographic location (as do all vineyards) the term "Pinnacles Ranches is primarily geographically descriptive pursuant to 15 USC §1052(e)(2).

As stated by Applicant in its Answer to paragraph 11 of Opposer's Notice of Opposition:

11. Applicant denies each and every allegation of paragraph 11 of the Notice of Opposition and further asserts that the Opposer's claim is absurd (it would mean that the name of every vineyard could not be a service mark for vineyard services or a trademark for wine, merely because the vineyard by its nature is a geographic location; it would mean that a farm whose produce bears a trademark constituting the name of the farm, would be primarily geographically descriptive merely because a farm by its nature is located somewhere).

**i. The Legal Standards**

15 U.S.C. §1052(e) provides that "[n]o trademark by which the goods of the applicant may be distinguished from the goods of others shall be refused registration on the principal register on account of its nature unless it – (e) Consists of a mark which (2) when used on or in connection with the goods of the applicant is primarily geographically descriptive of them."

A mark is primarily geographic if it identifies a real and significant geographic location, and the primary meaning of the mark is the geographic meaning, and the location is not remote or obscure. *See, e.g., In re Societe Generale des Eaux Minerales de Vittel S.A.*, 824 F.2d 957, 3 USPQ2d 1450 (Fed. Cir. 1987) (evidence insufficient to establish that public in United States would perceive VITTEL as the name of a place where cosmetic products originate).

Coined and fictitious names are not "real" and "significant" geographic locations. *See In re Pebble Beach Co.*, 19 USPQ2d 1687 (TTAB 1991) (17 MILE DRIVE not a geographic term, where it refers to a specific location wholly owned by applicant, and was coined by applicant to refer both to applicant's services and the place where the services were performed). *See also*,

*Hyde Park Clothes, Inc. v. Hyde Park Fashions, Inc.*, 93 USPQ 250 (S.D.N.Y. 1951), aff'd 204 F.2d 223, 97 USPQ 246 (2<sup>nd</sup> Cir. 1953), cert. denied, 346 U.S. 827, 99 USPQ 491 (1953) ("Hyde Park" - geographical name indicating place of origin of product is registrable if used in arbitrary or fictitious sense)..

Further, as stated in *World Carpets, Inc. v. Dick Littrell's New World Carpets*, 438 F.2d 482, 486, 168 USPQ 606, 612-123 (CA 5 1971), "The word 'primarily' should not be overlooked, for it is not the intent of the federal statute to refuse registration of a mark where the geographic meaning is minor, obscure, remote, or unconnected with the goods." Remoteness or obscurity is determined from the perspective of the average American consumer. *See In re Societe Generale des Eaux Minerales de Vittel, S.A.*, 824 F.2d 957, 3 USPQ2d 1450 (Fed. Cir. 1987)

Further in that regard, if the most prominent meaning or significance of the mark is not geographic, or if the mark creates a separate readily understood meaning that is not geographic, registration should not be refused under §2(e)(2). *See Hyde Park Clothes, supra* (primary significance of HYDE PARK for men's suits is to suggest that the product is stylish or of high quality rather than to provide information about geographic origin); *See also, In re Jim Crockett Promotions Inc.*, 5 USPQ2d 1455 (TTAB 1987) (primary significance of THE GREAT AMERICAN BASH for promoting, producing, and presenting professional wrestling matches, is to suggest something of desirable quality or excellence rather than to describe the geographic origin of the services).

Finally, there must be a goods/place association such that the public is likely to believe that the goods or services originate in the place identified in the mark. *See In re Save Venice N.Y., Inc.*, 259 F.3d 1346, 59 USPQ2d 1778, 1783 (Fed. Cir. 2001). The question of whether

there is a goods/place association is determined on a case-by-case basis, based on the evidence in the record.

Finally, Opposer has the ultimate burden of proof on the issue.

**ii. The Opposer's Cases Distinguished**

All of the cases cited by the Opposer in support of the legal standards are distinguishable on their facts from the present case. The primary points of difference are (1) most of the cases cited by Opposer clearly refer to “generally known” places, and places of known commercial activities and places where the public would reasonably identify or associate the goods sold under the mark with the geographic location contained in the mark. Namely:

1) *In re Save Venice N.Y., Inc.*, 259 F.3d 1346, 59 USPQ2d 1778, 1782-83 (Fed. Cir. 2001): Venice, Italy a “generally known geographic location” and “the public would reasonably identify or associate the goods sold under the mark with the geographic location contained in the mark.”

2) *In re Carolina Apparel*, 48 USPQ2d 1542, 1543 (TTAB 1998): Carolina obviously referring to “the state of North Carolina or the state of South Carolina” and “clothing and textiles are among the chief products of both of these states.”

3) *In re JT Tobacconists*, 59 USPQ2d 1080, 1081 and 1083 (TTAB 2001) (“Minnesota Cigar Company” for cigars): “Here, there simply is no doubt that the geographical significance of the term “MINNESOTA” is its primary significance” “neither obscure nor remote.”

4) *In re Loew's Theatres, Inc.*, 769 F.2d 764, 226 USPQ 865, 867-68 (Fed. Cir. 1985) (“Durango” / tobacco): “Durango (Mexico) is not an obscure place name to the Mexican population of this country nor to reasonably informed non-Mexicans,” and “has tobacco as principal crop.”

5) *In re Cal. Pizza Kitchen Inc.*, 10 USPQ2d 1704 (TTAB 1988) (CALIFORNIA PIZZA KITCHEN”): “there can be no dispute that California, one of the largest and most populous states in the United States, is a place known generally to the public and is neither remote nor obscure.”

6) *In re Handler Fenton Westerns, Inc.*, 214 USPQ 848, 850 (TTAB 1982) (“Denver Westerns” for western style shirts): “[A]pplicant's shirts have their geographical origin in Denver, one of the largest and best-known cities of the American west.” The case also states the rule that an admittedly well-recognized term may have other meanings, such that the term’s geographical significance may not be the primary significance to prospective purchasers.”

There are also two cases cited by Opposer where the services being offered are of such a nature that a goods-place association must be presumed, namely:

*In re MCO Props, Inc.*, 38 USPQ2d 1154, 1156 (TTAB 1995) (“Fountain Hills” for real estate development services): The Board held that:

... Whether there is an association between the name of the place and the services is determined not in the abstract, but rather in connection with the services with which the mark is used, and from the perspective of the relevant public for those services. In the case at hand, the relevant purchasing public for applicant's service of developing real estate includes people considering purchasing real property in Fountain Hills, Arizona. Whether or not they presently live in Arizona, these people are aware (or will become aware) of the fact that “FOUNTAIN HILLS” is the name of that place where applicant is located, that is, the town promoted by applicant as a wonderful place to buy real estate. In the context of applicant's services, the place is not obscure or remote. A clearer association between these services and this place name is difficult to imagine.”

The case is simply not on point and the same applies to *In re Chalk's Int'l Airlines Inc.*, 21 USPQ2d 1637, 1638-39 (TTAB 1991) (“Paradise Island” for transportation of passengers and goods by air): wherein the Board stated:



There can be no doubt that the words “PARADISE ISLAND” in applicant's mark tell the public something about applicant's services (that applicant's airline serves the market of Paradise Island) about which applicant's competitors also have a right to inform the public.

Finally, Opposer also cites to *In re Societe Generale des Eaux Minerales de Vittel S.A.*, 824 F.2d 957, 3 USPQ2d 1450 (Fed. Cir. 1987) (“Vittel” for mineral water) which case also cites to and *In re Nantucket, Inc.*, 677 F.2d 96, 213 USPQ 889 (CCPA 1982) (“Nantucket” for men's shirts). The Board found, in both cases that the marks were not primarily geographically descriptive. Perhaps the *Vittel* case is relevant for its statement at 1451 that “It is indeed remarkable to see the thoroughness with which NEXIS can regurgitate a placename casually mentioned in the news.”

**iii. There is no Valid or Bona Fide Empirical Evidence to Support the Opposer's Claims**

There is no bona fide evidence that the term Pinnacle Ranches is a real and significant geographic location or that the primary meaning of the mark is the geographic meaning.

Opposer attempts to create a nexus between Applicant's vineyard and other locations such as Pinnacles National Monument. Opposer relies almost entirely for its empirical proof on various Internet Materials (White Rock NOR, Docket Entry #24) which are the subject of Applicant's concurrently filed motion to strike or exclude. The materials are only evidence of what they show on their face and cannot be relied upon for the truth of any matter stated therein. *See, Volkswagenwerk Aktiengesellschaft v. Ridewell Corp.*, 201 USPQ 410 (TTAB 1979) (advertisement submitted with notice of reliance only showed that advertisement appeared on that date in that journal and does not show customer familiarity with marks nor actual sales); *See also, Exxon Corp. v. Fill-R-Up Systems, Inc.*, 182 USPQ 443, 445 (TTAB 1974) (articles from trade publications admissible to show that they appeared in the publication on a certain date and

that they contained certain information, but not that the information is true). Accordingly, the facts set forth in Opposer's Trial Brief at p. 7 (paragraphs 2 and 3) should be stricken in their entirety.

As such, the Internet Materials are limited and restricted to what they show on their face, namely as evidence that purports to indicate the existence of a national monument in California called "Pinnacles National Monument," and a small airport or airstrip in California called "Pinnacles Ranch Airport," and a ranch previously owned by a third party that may or may not have been called Pinnacles Ranch and which is now part of the Pinnacles National Monument, and a small High School in California named Pinnacles High School. The documents do not evidence anything other than, perhaps, local familiarity, they are not evidence that the places are generally known and are not evidence of the truth of any fact or statement made in the Materials.

Applicant has also objected to the Internet Materials as having little or no relevance. The documents have nothing to do with wines, vineyards or wineries. Their relevance lies in the fact that the Materials and the publications referencing same tend to prove how obscure and remote these places are.

In fact, Opposer's own proffered expert stated that Pinnacles National Monument is "a designated wilderness area in the Gabilan Mountains in California. . . . *See* Reidl Dep. at 58:2-6

Further, Applicant does not use the term "Monument" or "National" or "airport" or "High School" on its wines and nothing on Applicant's products (e.g., labels, capsules, corks, etc.) makes any reference to Pinnacles National Monument, or Pinnacles Ranches Airport, or Pinnacles High School.

The fact that there is a little known national monument somewhat near Applicant's vineyards that contains the term "Pinnacles" in its name ("Pinnacles National Monument") to

describe the rock formations in the park cannot support a claim that the “primary” significance of the mark PINNACLES RANCHES is a “generally known” geographic location or that consumers would make a good/place association with Pinnacles National Monument.

There is no evidence that Applicant ever attempted, in any way, to draw an association of its wines with Pinnacles National Monument or an obscure airport or local High School.

Opposer points to a singular document which was identified as a non-consumer facing, trade brochure published one-time by Applicant that contained a minor reference point on a map to Pinnacles National Monument.

Further, the Applicant naming its own vineyard as “Pinnacles Ranches” cannot possibly support a legal claim that the “primary” significance of the mark in issue is a “generally known” geographic location.

There is no evidence that relevant consumers know of the Pinnacles National Monument or that consumers make any association whatsoever of Applicant’s Pinnacles Ranches wines with Pinnacles National Monument. In fact, when Opposer’s alleged expert was asked “Do you believe that a consumer on the East Coast, when they see Pinnacles Vineyards, thinks of Pinnacle Monument?” he responded: “I don’t know.”<sup>2</sup> See Reidl Dep. at 126-127.

The only connection that Mr. Reidl could offer a mere conjecture concerning was that “Paul Masson [Franciscan predecessor] is unlikely to have stumbled on the term Pinnacle as the name of a vineyard that was on the base of a Pinnacles National Monument without some association between Pinnacle and Pinnacles.” Reidl Dep. at 105:9-14.

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<sup>2</sup> See also Reidl Dep. at 130-131:

Q. In creating your reports, did you do any consumer surveys to determine what the consumer impressions would be of the terms pinnacles or pinnacle, in the singular, or the term ranches?

A. I was not asked to do a consumer survey. . . .

Further, Mr. Reidl, in previous dealings with the Board while employed by E & J Gallo argued that if there is more than one location by the name, the mark should not be considered primarily geographically descriptive as no clear goods-place association exists. In the present case, when Mr. Reidl was shown numerous other examples of pinnacles throughout the United States (and abroad) (See Reidl Dep. at 163 – Exhibit 29) and asked “Based upon the number of different pinnacles or locations of pinnacles throughout the world, is it your opinion that the consumer saying the word Pinnacles Ranches . . . would only think of Pinnacles Monument?” he responded: “Counsel, I never heard of any of these. I don’t know what consumers would think of any of these.” Reidl Dep. at 164:4-14.

When Opposer’s third party witness, Mr. Mora, was asked what Pinnacles Monument is, he stated: “I understand it to be a national park or a land feature, something like that, Not exactly certain. I have not been there myself.” Mora Test. at 40:20-25.

Joint third party witness, Christine Lilienthal’s only responses concerning Pinnacles Monument appears at Lilienthal Test. At 81:12-25 and 82:1. Ms. Lilienthal referred to the Pinnacles Monument as “a minor landmark point of reference.” Lilienthal Test. At 81:23.

Opposer has not submitted valid, bona fide, empirical evidence to support its claims.

Further, if a mark creates a separate readily understood meaning that is not geographic, registration should not be refused under §2(e)(2). *See Hyde Park Clothes, supra*. The testimony evidence in this proceeding shows that the meaning and commercial impression conveyed and intended to be conveyed by Applicant by the marks “Pinnacles” and “Pinnacles Ranches” are varied. For example:

- “Pinnacles in itself, the word is a very powerful word and it communicates a sense of prestige, as being the best of something, the top, the peak, so the name was a very powerful statement of quality and a reinforcement to a consumer at that purchase point

decision that it was a certain quality. It also helped to lead or determine the source later and provided genuineness and authenticity to the brand messaging.” Lilienthal Test. at 17:13-24.

- “Whether it says Pinnacle or Pinnacles, the impression that you take away is the same, having a quality or an elite status. Q. And what about Pinnacles Ranches? A. I believe that also does the same, it communicates a genuineness, an authenticity, a sense of quality and a sense of source that there is a Pinnacles ranch, that there is a place where something comes from.” Lilienthal Test. at 67:14-22.
- So, those words, “Pinnacles Ranches” or conversely “Keyes Canyon Ranches,” appear on different products or different labels, or appeared in different maybe font sizes or colors of different label alternatives. I asked the moderator to lead a discussion of what the consumer’s perception of those words were. . . . by using these words [Pinnacles Ranches or Keyes Canyon Ranches], that they lend halo, they impart value to the product. Q. “Halo” meaning positive association? A. Positive imagery. . . . Q. Why would the terms Pinnacles Ranches and Keyes Canyon Ranches convey that opinion [produced with some care as opposed to mass produced]? A. They sound regal. They convey an emotional, you know, state of being that is well suited, you know, to wine. Q. How would you describe that emotional state of being? A. Um, if you’re at the pinnacle, you’re at the top. Q. And if you’re at the Pinnacles Ranches, then what? A. The word “ranches” would help to convey, you know, a sense of geographic diversity. Q. Diversity meaning what? A. Where grapes come from. Mora Test. at 18:19 – 20:10.
- Pinnacles Ranches is a tier out of Estancia. . . . Q. You mentioned the term “Pinnacles Ranches” on the front label functions as a sub-brand in this instance. A. It does. Q. So my question to you is: How does the term “Pinnacles” on the closure function? Q. As a sub-brand to Estancia. Q. So it’s a second sub-brand? A. We use them interchangeably. It would not be distinct from Pinnacles Ranches. . . . “Pinnacles” is a very descript word. “Ranches” is less descript. Pinnacles has meaning and conveys emotion. It’s important. Q. What do you mean by “descript”? A. The word carries more power because it has more emotion in it. Q. Why isn’t it on the label, then? A. It is. “Pinnacles Ranches.” Q. No “Pinnacles Ranches” is on the label. A. Yes. Q. But “Pinnacles” alone is not A. It’s not to say that the word “Ranches” is also not important. But if I were going to lend importance to one or the other, you know, it would be Pinnacles. Q. Well, I guess then my question would be: What was intended to be communicated to consumers if on the front label the term “Pinnacles Ranches” appears as a sub-brand, while on the closure, the term “Pinnacles” appears and not on the front label? A. No difference in our attempted message to consumers. Q. Which would have been what? A. To convey a sub-brand of Estancia. Mora Test. at 32:4 – 35:5.

The varied meanings attributable to “Pinnacles” and “Pinnacles Ranches” dictate against a finding that the primary meaning of the term is geographic.

## **B. Applicant's "Pinnacles Ranches" Mark Functions as a Trademark**

Opposer's "failure to function as a trademark" claim relies upon its claim that the mark is primarily geographically descriptive. As evidenced above, Opposer's geographically descriptive claim fails. Accordingly, Opposer's "failure to function" claim also fails.

Notwithstanding the same, Applicant has additional evidence that its "Pinnacles Ranches" mark functions as a trademark.

The "Pinnacles Ranches" mark functions to distinguish Applicant's wine products and its vineyards from the wine products and vineyards of others and also functions to distinguish certain of its wines and vineyards (i.e., chardonnay, pinot noir, and sauvignon blanc) from other wines (e.g., its "Keyes Canyon Ranches" wines) and vineyards within its own product line. The same attests to classic trademark use. *See, for example:*

- In response to a question concerning the role played by a wine label in the marketing and advertising of wines, Opposer's proffered expert, Mr. Reidl, stated: "More importantly, you would want something that would help distinguish the product from other competitive products or other products within your product line . . ." *See Reidl Dep. at 24:9-13.*
- Opposer's third party witness, Mr. Mora stated: "We seek to use markers, you know, like Keyes Canyons or Pinnacles, to distinguish that wine from other wines within the Estancia brand and from competitors." *See Mora Test. at 15:13-16.*
- Joint third party witness, Christine Lilienthal stated that Keyes Canyon Ranches and Pinnacles Ranches are used by Franciscan "to distinguish particular varietals, so the pinot noir, the chardonnay, the sauvignon blanc share the Pinnacles. The cab, merlot, zinfandel, meritage share the Keyes Canyon Ranches symbol." *See Lilienthal Test. at 27:5-8.*
- Ms. Lilienthal also testified that "Estancia owned Pinnacles Ranches Vineyard and it was a fanciful name that was both aspirational but also referred to a physical place where the winery and vineyards were. *See Lilienthal Test. at 98:5-*

9; and that Keyes Canyon Ranches and the Pinnacles Ranches and Pinnacles Vineyards marks are all considered sub-brands within the Estancia line. *See* Lilienthal Test. at 26:13-17; and she uses the analogy of “Chevy” and “Impala” and “Honda” and “Civic” concerning sub-branding. Lilienthal Test. at 22: 12-19.

Applicant’s proffered expert makes a vague claim that the architecture of or placement of the mark on Applicant’s current “Pinnacles Ranches” wine labels somehow evidences that the mark functions solely as a geographic indicator. The labels, however, clearly show the geographic indicator as the AVA “Monterey County.” Further, there is no one architecture from which one could divine such a position. Reference is made to the numerous labels shown in the photographs (Ex. 1) to the Test. Rannells. The most cursory review of the same evidences the varied forms of architecture and placement of terms used on wine labels.

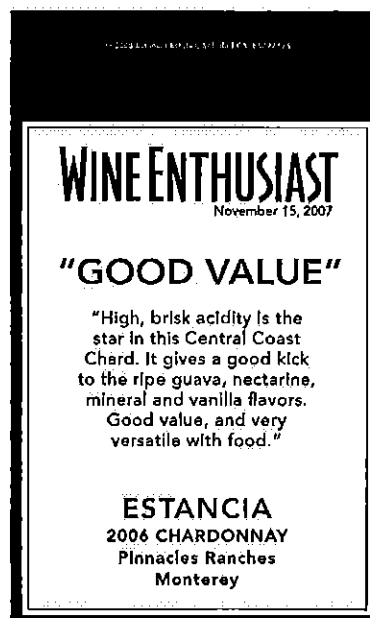
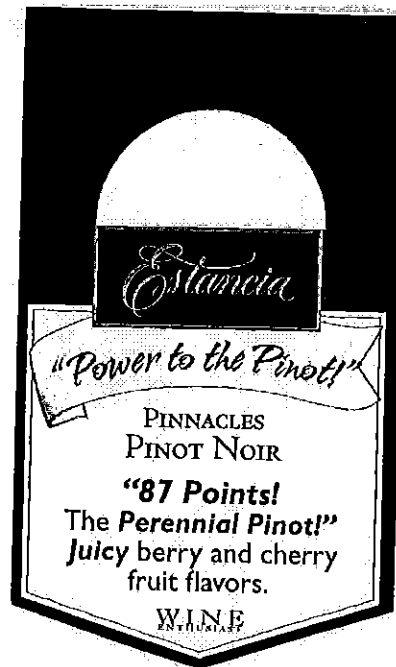
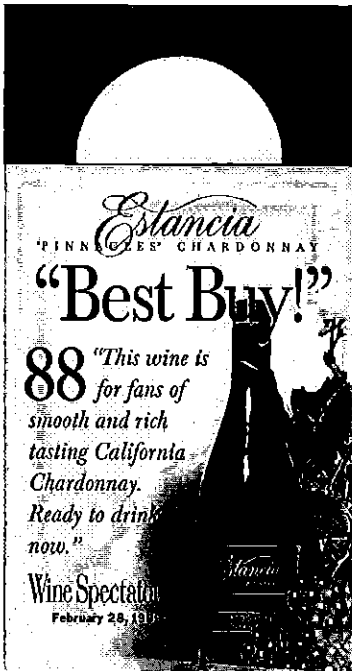
Applicant uses and displays its trademark in all manners customary to the trade. As stated by joint third party witness, Ms. Lilienthal, “just about any way that the brand was marketed is would have been used because it features predominantly on the label . . .” Lilienthal Test. at 17:8-10 and listed examples on pp. 16-17; samples of labels at Lilienthal Ex. E; and advertising and promotional materials at Lilienthal Ex. G.

**C. Applicant’s “Pinnacles Ranches” Mark is and/or has become Distinctive**

Opposer and/or its predecessors have sold “Pinnacles” brand wines since 1971 and began using the “Pinnacles Ranches” mark on wines in 2004 (i.e., with a 2002 vintage). *See* Lilienthal Test. at 18:7-12.

According to Ms. Lilienthal, “just about any way that the “Pinnacles”/“Pinnacles Ranches” brand was marketed it would have been used because it features predominantly on the label.” *See* Lilienthal Test., at 17: 8-10.

See also Lilienthal Test. Ex. E (selection of Estancia's "Pinnacles" and "Pinnacles Ranches" labels); Lilienthal Test. Ex. G (samples of Estancia "Pinnacles" and "Pinnacles Ranches" promotional and advertising materials, including, by way of example:





Opposer's annual sales figures and marketing spend figures for its "Pinnacles Ranches" branded wines from 2004 through 2010 are<sup>3</sup>:

<u>Year</u>	<u>Annual Sales Volume(wholesale)</u>	<u>Annual Marketing Spend</u>
2010	\$34,619,050	\$1,364,497
2009	\$41,676,834	\$ 600,000
2008	\$32,025,294	\$ 750,000
2007	\$30,072,050	\$ 700,000
2006	\$27,320,738	\$ 600,000
2005	\$26,058,000	\$ 500,000
2004	\$25,843,000	\$ 400,000

Applicant's "Pinnacles Ranches" wines represent approximately 47% of all of Applicant's Estancia wine sales. *See* Test. Black at 11:5-14.

Opposer's "Pinnacles" / "Pinnacles Ranches" wines have received numerous accolades over the years. Examples include:

*Wine Enthusiast*, Nov. 15, 2007 – "Good Value" (Estancia's Pinnacles Ranches 2006 vintage Chardonnay)

*Wine Enthusiast*, July 2007 – "Best Buy 87 Points" (Estancia's Pinnacles Ranches 2005 vintage Chardonnay)

*Bob Appétit*, Jan. 2007 – "Best of the Year" (Estancia's Pinnacles Ranches 2005 vintage Pinot Noir).

*Wine Spectator* (9/15/02) "Smart Buy! Round With Good Ripeness. . ." (Estancia Pinnacles Pinot Noir, 2000 vintage)

*Wine Enthusiast*, May 2002 – "87 Points! A pleasant Pinot that harbors pretty cherry, herb and licorice flavors." (Estancia Pinnacles Pinot Noir)

*The Wine Advocate*, The Best of California Issue Dec. 2000 – "86 points!" (Estancia Pinnacles Pinot Noir)

*Wine Spectator* – "Best Buy!" (Eleven Time Winner) May 2000 (Estancia Pinnacles Chardonnay)

*Wine & Spirits* 11<sup>th</sup> Annual Restaurant Poll, April 2000 – "A Favorite Restaurant wine-by-the-glass!" (Estancia Pinnacles Chardonnay).

<sup>3</sup> *See* Lilienthal Test. at 43-44 and 51-52 and Ex. "J" thereto; *and* Test. Black, at 5, and 9-10 and Ex. "A" thereto.

*Wine & Spirits*, 1999 Annual Buying Guide – “Top Estate Winery of the Year!” (Estancia Pinnacles Chardonnay)

*Wine Enthusiast* – “87 Points! The Perennial Pinot” (Estancia Pinnacles Pinot Noir)

*Wine Spectator* – awarded 19 Best Buys in 15 years.

*Wine Spectator*, April 1999 – “A Top Ten Value” (Estancia Pinnacles Chardonnay)

*Wine Spectator*, May 15, 1998 – “Top Ten Values for Pinot Noir in America” (Estancia Pinnacles Pinot Noir)

*New York Times*, Nov. 1998 “Elegant with enough substance to stand up to any meal”.

*Food & Wine Magazine* Oct. 1999 (Food & Wine, American Wine Awards) – “White Wine Value of the Year” (Estancia Pinnacles Chardonnay)

*Wall Street Journal*, April 3, 1998 – “Best of Tasting” (Estancia Pinnacles Chardonnay)

*Wine Spectator*, Oct. 15, 1996 – “89” “Spectator Selection” (Estancia Pinnacles Chardonnay)

See, Test. Lilienthal, at 36 and Exs. “G” and “H” thereto

Further, In addition to the present proceeding and a pending opposition against Domaines Pinnacles, Applicant, upon learning of use or potential use of a “Pinnacle(s)” mark has policed its mark. In that regard, numerous entities have acknowledged Applicant’s rights in its “Pinnacles” and “Pinnacles Ranches” trademarks and have agreed to discontinue use of confusingly similar marks. See Guggino Test. at 27:17 – 28:22 and Guggino Test. Ex. 6.

Examples include:

- Carolina Mist Winery (“Pinnacle Mist White” for wine). They agreed to discontinue all future use of the mark.
- Cascadia Winery (“Pinnacle Rosé” for wine). They obtained COLA but decided not to use and agreed not to use the mark (they are near the Peshastin Pinnacles in the state of Washington).

- Childress Vineyards (“Pinnacle” for wine). They entered into a license agreement with Applicant to use the mark (goodwill inures to the benefit of Applicant herein).
- Daniel Gehrs Wine (“Pinnacle Chenin Blanc” for wine). October 2008. They agreed to discontinue all future use of the mark.
- Standing Stone Vineyards (“Pinnacle” for wine). They agreed to discontinue all future use of the mark.
- Windham Vineyard and Winery (“Pinnacle Ridge” for wine). They agreed to discontinue all future use of the mark.
- Windsor Vineyards / Vintage Wine Estates, Inc. (“Pinnacle Ridge and mountain peak design for wine). They agreed to discontinue all future use of the mark.
- The Wine Group LLC. / Darcie Kent Vineyards (“West Pinnacles Vineyard”). Pending.

Accordingly, to the extent that Board rules that Applicant’s “Pinnacles Ranches” mark is primarily geographically descriptive, it has in any event become distinctive as a trademark for its wines.

### III. CONCLUSION

For the foregoing reasons, the opposition should be denied and registration issued to Applicant.

Respectfully submitted,

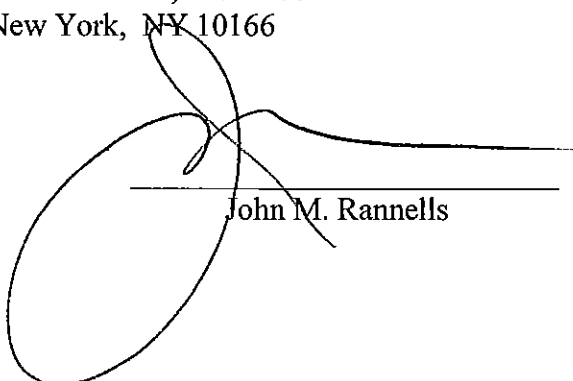
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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing APPLICANT'S TRIAL BRIEF in re: *White Rock Distilleries, Inc. v. Franciscan Vineyards, Inc.*, Opposition No. 91191056 was served on counsel for Opposer, this 18<sup>th</sup> day of July, 2011 by sending same via First Class Mail, postage prepaid, to:

Daniel I. Schloss  
Greenberg Traurig, LLP  
200 Park Avenue, 34th Floor  
New York, NY 10166



\_\_\_\_\_  
John M. Rannells